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2011-329-C 237878
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SC PUBLIC SERVICE
COMMISSION

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RECEIVED

July 19, 2012

Ms. Jocelyn Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29211

Re: Birch Telecom of the South, Inc. Bond Requirement Under 26 S.C. Code Ann. Regs. 103-607

Dear Ms. Boyd:

Enclosed is the Performance Bond as required per the code referenced above. I am also sending a copy to the ORS.

Please let me know if there is additional information required.

Sincerely,

A handwritten signature in cursive script, appearing to read "Angela Hoke".

Angela Hoke
Manager – Legal & Regulatory

cc: Jim McDaniel
State of South Carolina ORS

Birch Communications. At your service.

816 300 1049

angela.hoke@birch.com

DUPLICATE ORIGINAL

PERFORMANCE BOND

Bond No. [REDACTED]

KNOW ALL MEN BY THESE PRESENTS that we, **Birch Telecom of the South, Inc.**, as Principal, and **RLI Insurance Company**, incorporated under the laws of State of **Illinois**, with principal offices in **Peoria, IL**, as Surety, are held and firmly bound unto the State of South Carolina, Public Service Commission, as Obligee, in the penal sum of **One Hundred Thousand and No/100 (\$100,000.00)** Dollars, lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly, by these presents.

WHEREAS the above bounden Principal is required by South Carolina Code Ann. Reg. 103-607 to file with the Public Service Commission of South Carolina a bond conditioned as hereinafter set forth:

This obligation requires **Birch Telecom of the South, Inc.** to reimburse its customers payment for services not rendered if the Public Service Commission of South Carolina determines that Birch Communications, Inc. has failed to comply with the Rules and Regulations of the Public Service Commission of South Carolina. **RLI Insurance Company** will make such payments to customers of **Birch Telecom of the South, Inc.**, in the aggregate, up to the amount of **One Hundred Thousand and No/100 (\$100,000.00)** Dollars, as directed by the Public Service Commission of South Carolina.

Provided that, regardless of the number of years this bond shall continue or be continued in force, and of the number of premiums that shall be payable or paid, the Surety shall not be liable hereunder for a larger amount, in the aggregate, than the amount of this bond and,

Provided further, that this continuous bond may be cancelled by the Surety as to subsequent liability by giving thirty (30) days notice in writing to said Obligee.

Signed, sealed, and dated the 11th day of July, 2012.

Birch Telecom of the South, Inc.
Principal

By: _____

RLI Insurance Company
Surety

By: _____

Laura M. Murren, Attorney-in-Fact



RLI Surety
P.O. Box 3967 | Peoria, IL 61612-3967
Phone: (800)645-2402 | Fax: (309)689-2036
www.rlicorp.com

POWER OF ATTORNEY

RLI Insurance Company

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company**, an Illinois corporation, does hereby make, constitute and appoint:

David M. Lockton, Patrick T. Pribyl, Debra J. Scarborough, Claudia Mandato, Mary T. Flanigan, Christy M. McCart, Nancy A. Clover,
Mark Duggan, Laura M. Murren, Jeffrey C. Carey, Charissa D. Lecuyer, Kathleen M. Coen, jointly or severally.

in the City of Kansas City, State of Missouri its true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, the following described bond.

Any and all bonds provided the bond penalty does not exceed Twenty Five Million Dollars (\$25,000,000.00).

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company.

The **RLI Insurance Company** further certifies that the following is a true and exact copy of the Resolution adopted by the Board of Directors of **RLI Insurance Company**, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** has caused these presents to be executed by its Vice President with its corporate seal affixed this 23rd day of May, 2012.



RLI Insurance Company

By: Roy C. Die Vice President

State of Illinois }
County of Peoria } SS

CERTIFICATE

On this 23rd day of May, 2012, before me, a Notary Public, personally appeared Roy C. Die, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

I, the undersigned officer of **RLI Insurance Company**, a stock corporation of the State of Illinois, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** this 23rd day of JUL 11 2012.

By: Jacqueline M. Bockler Notary Public



RLI Insurance Company

By: Roy C. Die Vice President